

Old Age, Disability, Death

First law: 1924.

Current law: 1957.

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1,690 leva.

Coverage

Employees, self-employed persons, farmers, members of liberal professions, artists, and handicraft cooperatives.

Source of Funds

Insured person: 2% of earnings. 1% of earnings as of July 1, 1999. Self-employed, 32% of income between 2 and 10 national minimum working wages. (22% for old age, survivors and disability, only).

Employer: 37% of payroll (47% or 52% for unusually arduous and unhealthy work); 34.7% of payroll (44.7% or 49.7% for unusually arduous and unhealthy work), 37.7% for teachers as of July 1, 1999.

Government: Any deficit.

Above contributions also finance all other social security benefits as of July 1, 1999. Prior to July 1, 1999 unemployment and health insurance were not included.

Qualifying Conditions

Old-age pension: Age 60 (men) or 55 (women) with 25 years (men) or 20 years (women) of service; at age 65 (men) or 60 (women) proportionately reduced pension if at least 1/2 of period completed.

Age and service requirements reduced for arduous and unhealthy occupations, teachers, military, handicapped, and mothers of 5 or more children. Not payable abroad unless reciprocal agreement.

Disability pension: Permanent or long incapacity for work incurred no later than 2 years after work termination; 5 years of service, or 3 years if age 20-25; none if under 20 and insured.

Survivor pension: Deceased had 5 years of service (3 if age 20-25), or was pensioner.

Social pension (income-tested): Over age 70, or totally disabled and over age 16. Unemployment more than 3 months because of liquidation of enterprise and over 57 (men) or 52 (women) and enough years of coverage to qualify for old-age pension.

Old-Age Benefits

Old-age pension: 55% of average earnings during highest 3 consecutive years in last 15 years. All post-retirement earnings after January 1, 1997 will be considered in calculating the highest 3 consecutive years. Increment of 2% of pension per year of service (3% per year for teachers).

Pension and supplements limited to 3 times social pension.

Minimum pension: 115% of social pension.

Social pension: 34,650 leva a month.

Permanent Disability Benefits

Disability pension: Total disability, 55% of average earnings during last 12 months.

Supplement for total disability (and old-age pensioners) requiring constant attendance: 75% of social pension.

Partial disability: incapacity for usual but not all work. 55%, 40% or 25% of earnings, depending upon degree of disability.

Increment of 5% of pension if 10-15 years of service, 10% if 15-20 years, or 15% if over 20 years. Increment of 25% if age 55 and 25 years of coverage (50 and 20 for women).

Minimum disability pension for ordinary illness, depending on degree of disability: 1st, 2nd or 3rd degree, 140%, 130% or 105% of social pension, respectively; for employment accident or work-related illness, 150%, 140% or 115% of social pension.

Minimum pension: 35 leva a month.

Survivor Benefits

Survivor pension: 1 survivor, 50% of disability pension of insured; 2 survivors, 75%; 3 or more survivors, 100%.

Eligible survivors (if dependent on insured): Children, brothers and sisters, and grandchildren under age 18, (26 if female student, 28 if male student who has completed military service, no limit if disabled); aged or disabled parents or spouse; widowed parent caring for orphan under 16; and needy grandparents.

Minimum pension per survivor: 90% of social pension.

Administrative Organization

National Social Security Institute, general supervision.

Regional Directorates for Social Security, collection of contributions and payment of pensions.

Sickness and Maternity

First law: 1918.

Current laws: 1951, 1973, and 1995.

Type of program: Social insurance for cash benefits and universal system for medical care. As of July 1, 1999, national health insurance.

Coverage

Cash benefits: Employees, farmers, members of liberal professions, and handicraft cooperatives (if insured for all contingencies).

Medical care: All residents.

Source of Funds

Insured person: See pension contributions, above.

Employer: Same.

Government: Same. Also, entire cost of medical care. Compulsory health insurance contributions, as of July 1, 1999.

Qualifying Conditions

Cash sickness and maternity benefits: 6 continuous months of employment immediately before claim (payable up to age 18 or in case of maternity).

Medical care: Residence in country.

Sickness and Maternity Benefits

Sickness benefit: During first 15 days, 70% of earnings if 6 months to 10 years of continuous work, 80% if 10-15 years, or 90% if over 15 years. Thereafter, rates increased by 10% of earnings but not to more than 90%. Payable from 1st day for duration of sickness.

Maternity benefit: 100% of earnings for 4-6 months, depending on number of other children in family. Additional leave, paid at level of national minimum wage, until child is 2 years old. May be followed by leave without pay until child reaches age 3.

Payable under certain circumstances to father or grandparent, if mother agrees.

Workers' Medical Benefits

Medical benefits: Health insurance system introduced in 1999. Medical services provided directly to patients through facilities of national health service. General and specialist care in health centers, outpatient departments of hospitals, or home; hospitalization; prescribed medicines; dental care; and necessary appliances. Duration: No limit.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for family head. Funeral grant: 1 national minimum wage (61,000 leva as of January 1, 1999).

Administrative Organization

National Social Security Institute and Health Insurance Fund, general supervision.
National Social Security Institute, administration of cash benefits. Employers pay cash benefits for own employees and deduct from contributions due.
Health Insurance Fund, collects contributions and pays for medical services.

Work Injury

First law: 1924.
Current laws: 1951 (short-term benefits) and 1957 (pensions).
Type of program: Social insurance system.

Coverage

Employed persons.

Source of Funds

Insured person: None.
Employer: 10% of payroll.
Government: Same. Also, entire cost of medical care.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: 90% of earnings.
Payable from 1st day of incapacity until recovery or certification of permanent disability.

Permanent Disability Benefits

Permanent disability pension: Total disability (disabled for all work), 70% of earnings.
Minimum, 150% of social pension.
For total disability requiring constant attendance: supplement of 75% of social pension. May be paid along with other pension.
Partial disability: Incapacity for usual but not all work. 35% or 55% of earnings, depending upon degree of disability.
Minimum: 140% or 115% of social pension.

Workers' Medical Benefits

Medical benefits: Provided under National Health Insurance System.

Survivor Benefits

Survivor pension: 1 survivor, 50% of work injury disability pension of insured; 2 survivors, 75%; 3 or more survivors, 100%.
Eligible survivors (if dependent on insured): Children, brothers and sisters, and grandchildren age 18 and under; aged or disabled parents or spouse; parent or widow caring for orphan under age 16.
Minimum pension: 90% of social pension.
Funeral grant: 1 national minimum wage (61,000 leva).

Administrative Organization

National Social Security Institute, general supervision.
Regional Directorates for Social Security, payment of benefits.

Unemployment

First law: 1925.
Current law: 1989.
Type of program: Compulsory insurance system.

Coverage

Employed persons; graduates of vocational schools and schools of higher education.

Source of Funds

Insured person: None.
Employer: 4% of payroll.
Government: Covers cost of benefits for unemployed government workers and graduates of vocational schools and schools of higher education (also family allowances for latter).

Qualifying Conditions

Unemployment benefit: 6 months of employment in last year or for qualified graduates.
Unemployment not due to voluntary leaving, dismissal for misconduct, refusal of suitable offer, transfer, or training.
Registration at employment offices 7 days after dismissal or 1 month in case of warning.

Unemployment Benefits

Unemployment benefit: For full-time employment, 60% of average earnings during last 6 months of which contributions have been paid, but not less than 90% or more than 140% of the minimum national wage. For part-time employment proportionately reduced benefit. Increment for inflation. Different increments if taking courses in vocational training or taking care of two or more children.
Duration depends on age and length of coverage: up to 5 years regardless of age, 6 months; more than 5 years and up to age 40, 7 months; more than 5 years and above age 40, 8 months; 10 years and above age 45, 9 months; more than 20 and above age 51 (men), 10 months, (women) 12 months; 25 years and over age 56 (men), 12 months.
Payable from first day of unemployment if registered within 7 days or 1 month in case of warning after dismissal; otherwise from date of

registration. Persons graduating from higher education and not employed within 1 month after graduation, 80% of national minimum wage for not more than 6 months; persons graduating from vocational schools and not employed within three months after registration, 80% of minimum wage for 3 months. Eligible also after completion of statutory military service.

Administrative Organization

Ministry of Labor and Social Welfare, general supervision.
National Employment Service, administration of program.
Regional employment offices, payment of benefits.

Family Allowances

First law: 1942.
Current law: 1968.
Type of program: Employment-related system.

Coverage

Employees, members of liberal professions, handicraft cooperatives, collective farmers, and social insurance beneficiaries. Special systems for students and single mothers, and military.

Source of Funds

Insured person: See pension contribution, above.
Employer: Same.
Government: Same. Finances child allowances.

Qualifying Conditions

Family allowances: Child must be under age 16 (or 18 if student).

Family Allowance Benefits

Family allowances: 8,540 leva a month for each child. Benefits doubled for handicapped children. Additional payments to single mother.
Birth grants: 1 minimum wage on birth of 1st child, 2 times minimum wage for 2nd, 2 1/2 times minimum wage for 3rd, and 1 minimum wage on birth of 4th and each additional child.

Administrative Organization

National Social Security Institute, general supervision and administration of program.
Employers pay allowances to own employees and deduct payments from contributions due; Peoples' Councils pay single mothers.